

Real Estate and Nonresident Withholding Validator Instructions

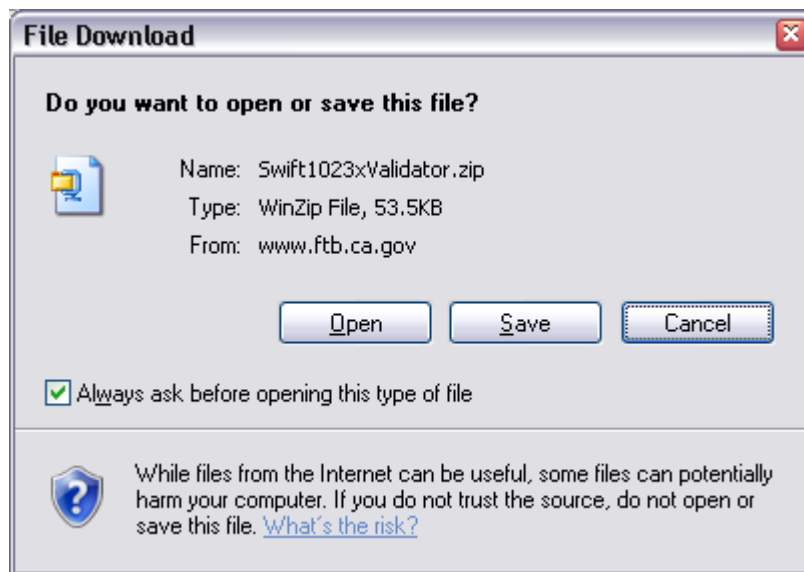
The Real Estate and Nonresident Withholding Validator is a tool you use to check your file format and certain data fields before submission to the Franchise Tax Board (FTB). The application identifies file formats and certain data fields that do not conform to the specifications defined in Publications 1023R, Real Estate Withholding Electronic Submission Requirements, and 1023S, Nonresident Withholding Electronic Submission Requirements.

Use the procedures below to save the validator to your computer and validate your file data before submission.

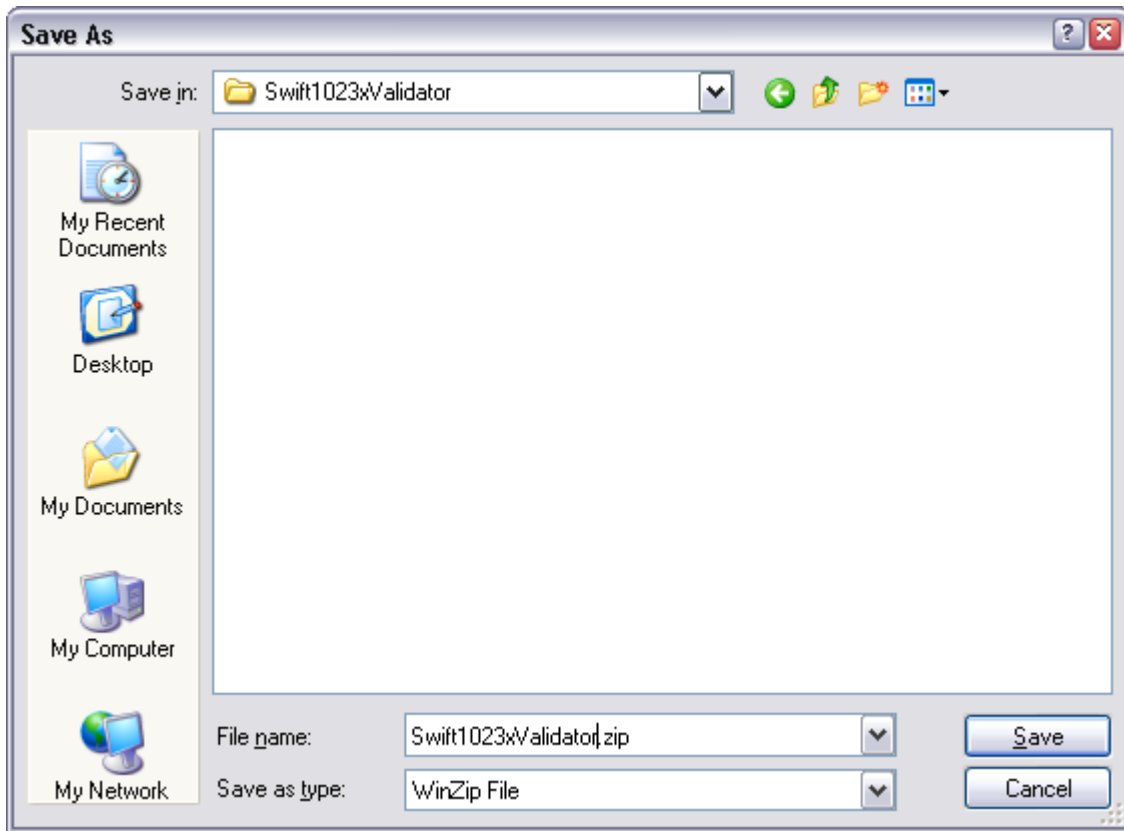
Prerequisite: You must have .Net 2.0 framework installed on your system. For more information on a free download of the .Net 2.0 framework, see the Microsoft website.

Downloading Validator

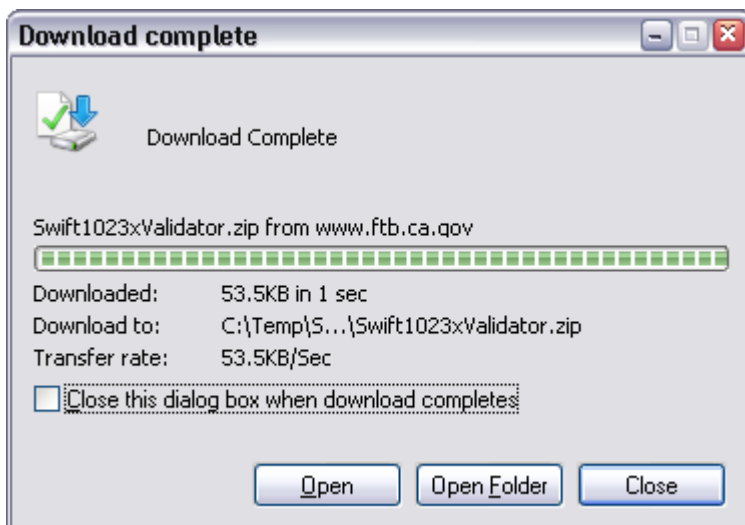
1. Double click on *Download the Validator* on our web page to start the process for saving the application to your PC. Click **Save** when the dialog box below appears.



2. Use the drop down box for the *Save In* feature to select the location you wish to save the application to on your computer. Save the application and your files in the same location, in order to easily locate them. Click *Save*.



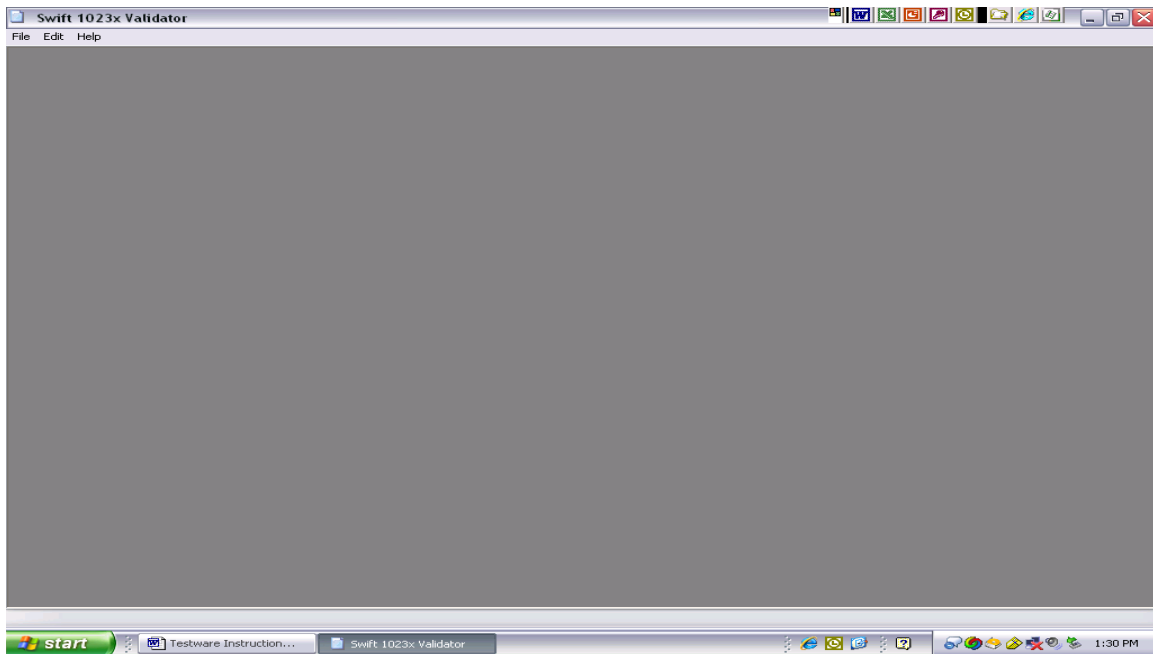
3. The following dialog box displays the progress of the download. The green bar indicates when the download is complete. Click *Close* and use the application later by going to the location where you downloaded the application, or click *Open Folder* to use the application immediately.



Using the Validator

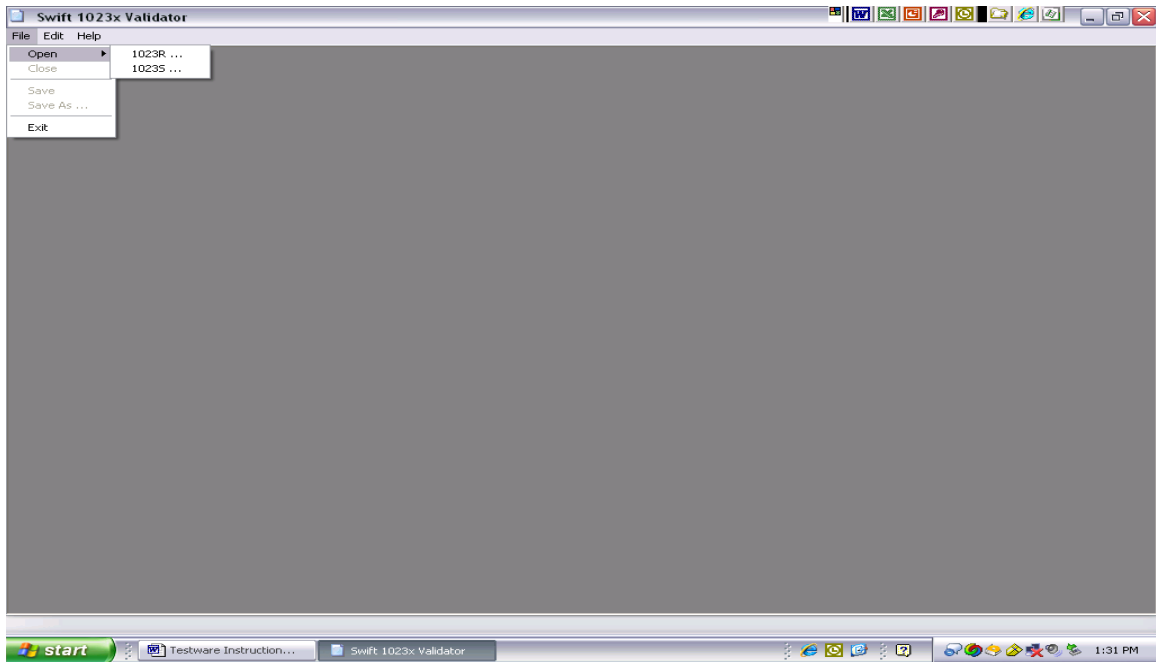
To validate data in a withholding file containing either real estate or nonresident withholding data, follow these steps:

1. From Windows Explorer, go to the location where you unzipped the *Swift1023xValidator*. Double click to open and use the application.

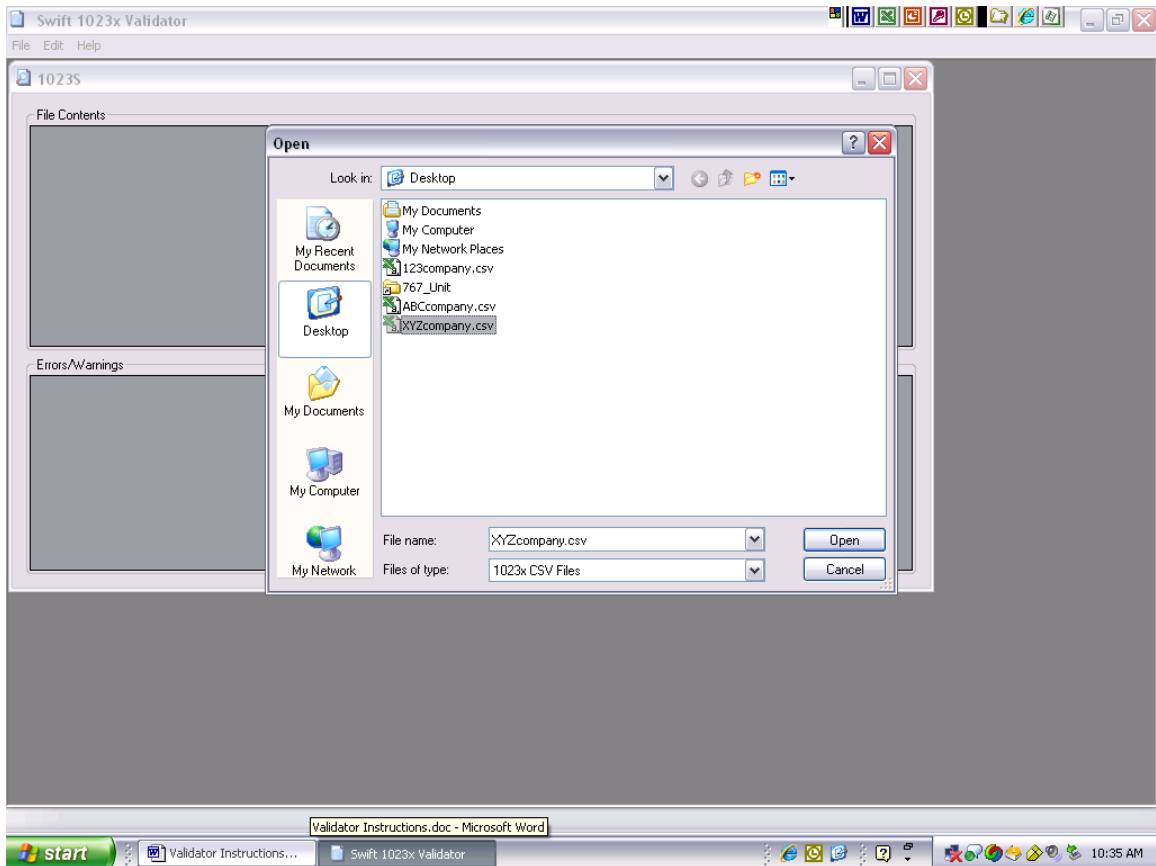


2. Click on *File* to open the drop-down menu. Click *Open* to view and choose the appropriate validator for your file.

- *1023R* – This option allows you to validate a file containing real estate withholding data from Form 593, Real Estate Withholding Tax Statement.
- *1023S* – This option allows you to validate a file containing nonresident withholding data from Form 592, Quarterly Nonresident Withholding Statement, or Form 592-F, Foreign Partner or Member Annual Return.



3. Once you choose a validator (i.e., 1023S), the validator launches along with the file open box. From this Open window, go to the location where the comma delimited file (.csv) is saved. Once the file is located, double click on the file to begin the validation.



4. This is an example of the validator results for a sample 1023S file. The top portion of the screen shows the file layout and data. The bottom portion of the screen shows any errors or warnings to be reviewed.

- Errors must be corrected prior to the file submission to FTB.
- Warnings provide additional information indicating that you did not complete certain fields in the file correctly. It is not necessary to correct all warning messages in order for the file to be accepted by FTB. However, review the warning messages you receive and clean up the data as much as possible.

The screenshot shows the Swift 1023x Validator application window. The main area displays a CSV file layout with columns numbered 1 through 11. The data is as follows:

	1	2	3	4	5	6	7	8	9	10	11
	Payee Num	Tax Year	ID Number	ID Type	First Name	MI	Last Name	Other Name Line 1	Other Name Line 2	Address Line 1	Address Line 2
2			111111111	FEIN				XYZ Company		123 Main Street	
3	1	2008	111111111	SSN	John	Y				456 California St	
4	2	2008	111111111	SSN	Jane		Doe			123 California St	
5	3		111111111	SSN	Jack		Doe			789 California St	

Below the CSV data, the 'Errors/Warnings (2)' section shows the following messages:

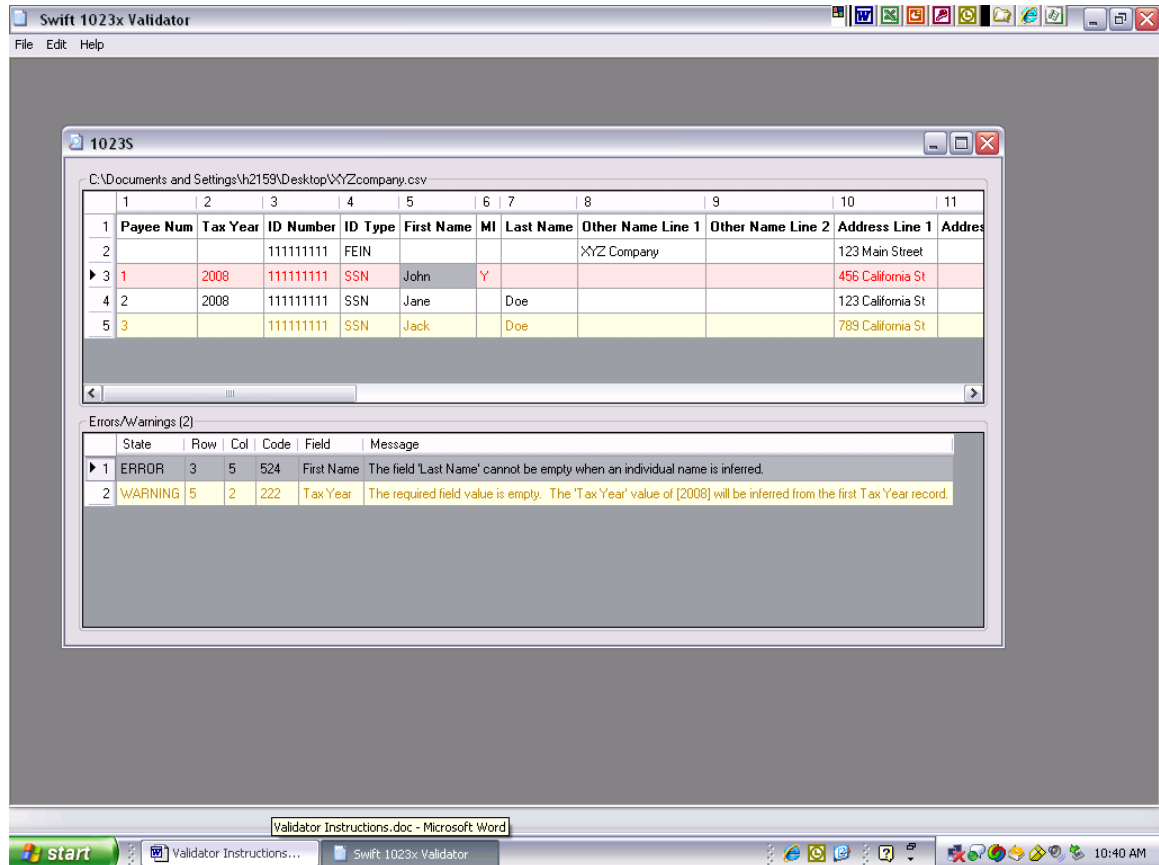
	State	Row	Col	Code	Field	Message
1	ERROR	3	5	524	First Name	The field 'Last Name' cannot be empty when an individual name is inferred.
2	WARNING	5	2	222	Tax Year	The required field value is empty. The 'Tax Year' value of [2008] will be inferred from the first Tax Year record.

The application window title is 'Swift 1023x Validator'. The menu bar includes 'File', 'Edit', and 'Help'. The taskbar at the bottom shows the 'start' button, 'Validator Instructions...', 'Swift 1023x Validator', and the system clock at 10:40 AM.

5. Double click on the error number in the bottom portion of the screen and the validator will locate the line with the error in the top portion of the screen.

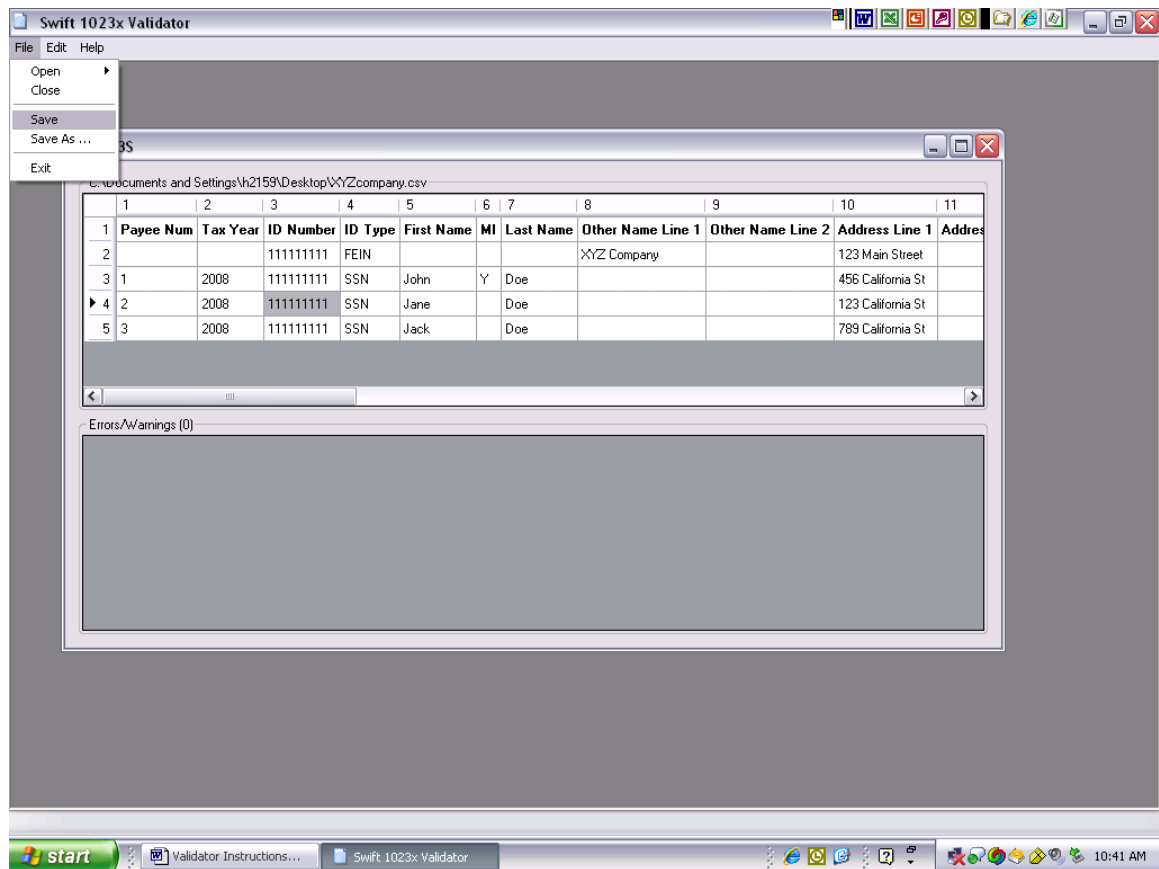
Once the line with the error is located in the top portion of the validator:

- Double click on the specified field that contains the error.
- Correct the error.
- Click out of the corrected field or hit Enter on the keyboard. The error message in the bottom portion of the validator will be removed from the listing if you properly corrected the field.



6. Scroll down through the bottom portion of the validator and correct all errors and warnings as appropriate.

7. Click *File* to open the drop-down menu once the file has been corrected. Click *Save* to save your changes to the file.



8. Close the validator. The file is ready for submission through SWIFT or via magnetic media. Follow the submission instructions in Pub. 923, SWIFT Guide for Nonresident and Real Estate Withholding.

Note: This tool is not designed to determine whether or not FTB will accept or reject a specific file. That determination can only be made at the time a file is received and processed.

If you have questions about your file format or the TestWare messages, please call Withholding Services and Compliance at 888.792.4900 or send an email to <mailto:WSCS.SWIFT@ftb.ca.gov>.